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7 GRAPHIC PRINTS, INC.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION**

1 GRAPHIC PRINTS, INC., a California
2 corporation,

Case No

Plaintiff,

V.

6 | BOARDRIDERS, INC., a Delaware
7 | corporation; and DOES 1-10, inclusive,

Defendants

COMPLAINT FOR:

- (1) FEDERAL TRADEMARK INFRINGEMENT;
- (2) FALSE DESIGNATION OF ORIGIN [15 U.S.C. § 1125(a)];
- (3) STATUTORY UNFAIR COMPETITION [Cal. Bus. & Prof. Code §§ 17200 et seq.];
- (4) BREACH OF CONTRACT

DEMAND FOR JURY TRIAL

1 Plaintiff Graphic Prints, Inc. (“GPI”), as and for its complaint against defendant
 2 Boardriders, Inc. (“Boardriders”) and Does 1 through 10, inclusive, hereby alleges as
 3 follows:

4 **THE PARTIES**

5 1. GPI is a California corporation with its principal place of business in
 6 Los Angeles County, California.

7 2. Upon information and belief, Boardriders is a Delaware corporation
 8 with its principal place of business in Orange County, California.

9 3. Plaintiff is unaware of the true names and capacities of defendant
 10 Does 1 through 10, inclusive, and therefore sues them by such fictitious names.
 11 Plaintiff is informed and believes, and thereon alleges, that each of the fictitiously
 12 named defendants engaged in, or is in some manner responsible for, the wrongful
 13 conduct alleged herein. Plaintiff therefore sues these defendants by such fictitious
 14 names and will amend this complaint to state their true names and capacities when
 15 such have been ascertained.

16 4. Plaintiff is informed and believes and thereon alleges that, in doing the
 17 acts alleged herein, each of the defendants was the agent, principal, employee,
 18 representative, or alter ego of the other defendants and/or acted with one or more of
 19 the other defendant’s knowledge, consent, and approval, and acted within the course
 20 and scope of his agency or representative capacity. As such, each of the defendants
 21 is responsible for the actions of the other defendants, as alleged herein.

22 **PERSONAL JURISDICTION**

23 5. Upon information and belief, this Court has general personal
 24 jurisdiction over Boardriders because the company’s principal place of business as
 25 reported to the California Secretary of State is within this District.

26 6. This action arises in part under the laws of the United States—
 27 including but not limited to its trademark laws, 15 U.S.C. § 1114 *et seq.* This Court
 28 has jurisdiction pursuant to 15 U.S.C. § 1121, 28 U.S.C. § 1331, and 28 U.S.C.

1 § 1338(a). The Court has jurisdiction over the unfair competition claims herein
 2 under the provisions of 28 U.S.C. § 1338(b) in that said claims are joined with a
 3 substantial and related claim under the trademark laws of the United States.
 4 Pursuant to 28 U.S.C. § 1367(a), this Court has supplemental jurisdiction over the
 5 state law claims, all of which arise out of and have a nexus to the facts giving rise to
 6 the federal claims and therefore form a part of the same case or controversy under
 7 Article III of the United States Constitution.

8 7. Venue is proper in this district under 28 U.S.C. §§ 1391(a)–(d), among
 9 other bases, insofar as Boardriders has committed unlawful acts in this judicial
 10 district and has done and is doing substantial business in this judicial district.

GENERAL ALLEGATIONS

12 8. This dispute arises from Boardriders' willful infringement of GPI's
 13 PIPELINE® trademark and flagrant violation of contractual commitments made to
 14 GPI by Boardriders' predecessor.

15 9. GPI is a lifestyle and apparel company based in Los Angeles County,
 16 California. Since 1980—that is, for more than 40 years—the company has
 17 continuously marketed products, including apparel associated with the surf and
 18 beach cultures of Southern California and Hawaii, using the trademark PIPELINE®.
 19 Through such use, the PIPELINE® mark has become the subject of extensive
 20 goodwill among a devoted base of consumers.

21 10. GPI has always valued its intellectual property, and this fact is
 22 reflected in the company's trademark registration practices. For example, but
 23 without limitation, GPI is the registrant associated with Registration Number
 24 1691658 (the "'658 Registration") for the word "PIPELINE" as applied to clothing
 25 including shirts, shorts, swimwear, pants, and socks. The '658 Registration dates
 26 back to 1992 and is now incontestable. A true and correct copy of the registration
 27 certificate associated with the '658 Registration is appended hereto as Exhibit A.

28 11. GPI recognizes that a brand as valuable as PIPELINE® requires strict

1 policing, and the company has asserted its rights against unauthorized users on
 2 multiple occasions through the years. Most notably for purposes of the present
 3 action, in 2010, GPI entered into a settlement agreement with VANS, a division of
 4 VF Outdoor, Inc. (“Vans”) and GSM (Operations) Pty. Ltd. dba “Billabong”
 5 (“GSM”) concerning their unauthorized use of the PIPELINE® mark on
 6 merchandise associated with a surfing event they sponsored called the “Pipeline
 7 Masters” (the “Settlement Agreement”). A true and correct copy of the Settlement
 8 Agreement is appended hereto in unsigned form as Exhibit B. GPI is informed and
 9 believes that a fully executed version of the Settlement Agreement exists, and it is
 10 continuing to search through its records to obtain a copy.

11 12. Pursuant to the Settlement Agreement, Vans and GSM agreed to
 12 cease and desist from their use of the word “Pipeline” in connection with the
 13 merchandise, and in fact rebranded the event at issue “Pipe Masters,” with GPI’s
 14 blessing, to avoid future confusion as to GPI’s affiliation.

15 13. On information and belief, after GPI, Vans, and GSM signed the
 16 Settlement Agreement, Boardriders acquired GSM.

17 14. On information and belief, based upon Boardriders’ acquisition of
 18 GSM, Boardriders became GSM’s “assign” or “successor,” as such terms are used
 19 in the Settlement Agreement, and is therefore bound to the agreement’s terms
 20 pursuant to paragraph 11 thereof.

21 15. Notwithstanding GSM’s express commitments in the Settlement
 22 Agreement, Boardriders has launched a new surfing competition under the moniker
 23 “Billabong Pro Pipeline” and is again selling merchandise bearing GPI’s registered
 24 mark to promote the new event. Just a few of the many examples of unauthorized
 25 merchandise bearing GPI’s registered trademarks that have been sold via
 26 Boardriders’ billabong.com website are as follows:

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16. Though GPI's entitlement to relief for this conduct is manifest, Boardriders acted flippantly when GPI sought to resolve this matter without litigation. Namely, Boardriders ignored an initial letter from GPI notifying the company of its claims, and did the same with respect to a follow up email from GPI's counsel inquiring as to the company's intentions. When GPI's own principal contacted Boardriders' general counsel by phone, a few weeks later, she paid lip service to the gravity of GPI's claims and assured him that Boardriders would investigate the claim promptly and revert with its position. She repeated this assurance when GPI's counsel called her after her own self-imposed deadline for doing so had lapsed. Unsurprisingly, radio silence has again followed, leaving GPI with little option but to escalate the parties' dispute via this action.

FIRST CAUSE OF ACTION

(Federal Trademark Infringement Under 15 U.S.C. §§ 1114 et seq.)

17. GPI incorporates all allegations set forth hereinabove by this reference.

18. The PIPELINE® mark is a valid, protectable trademark and the subject of a valid U.S. trademark registration owned by Plaintiff—namely, the '658 Registration.

19. Boardriders has used and continues to use in commerce the PIPELINE® mark and other marks confusingly similar thereto or derivative thereof.

1 20. Boardriders's use of the PIPELINE® mark is not authorized by GPI.
2 21. On information and belief, Boardriders' use of the PIPELINE® mark
3 has caused or is likely to cause consumer confusion or mistake or deceive the public
4 as to the origin, sponsorship, or approval of GPI's and/or Boardriders' goods and
5 commercial activities.

6 22. GPI is informed and believes and thereon alleges that, as a proximate
7 result of Boardriders' use of the PIPELINE® Mark, Boardriders has made
8 substantial sales and profits in amounts to be established according to proof.

9 23. GPI is informed and believes, and thereon alleges that, as a proximate
10 result of Boardriders' use of the PIPELINE® mark, GPI has been damaged and
11 deprived of substantial sales, profits, and royalties that GPI otherwise would have
12 earned, in amounts to be established according to proof.

13 24. GPI is informed and believes, and thereon alleges that, unless
14 restrained by the Court, Boardriders will continue to infringe GPI's trademark, thus
15 engendering a multiplicity of judicial proceedings, and pecuniary compensation will
16 not afford GPI adequate relief for the damage to its intellectual property rights,
17 reputation, and sales. Further, GPI is informed and believes, and thereon alleges
18 that, in the absence of injunctive relief, customers are likely to continue being
19 mistaken or deceived as to the true source, origin, sponsorship, and affiliation of
20 both GPI's and Boardriders' goods.

21 25. GPI is informed and believes, and thereon alleges that, Boardriders'
22 acts were committed, and continue to be committed, with actual notice of GPI's
23 exclusive rights and with an intent to cause confusion among consumers and harm
24 to GPI's reputation and goodwill. Pursuant to 15 U.S.C. § 1117, GPI is therefore
25 entitled to recover three times its actual damages or three times Boardriders' profits,
26 whichever is greater, together with GPI's attorneys' fees.

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1 26. Pursuant to 15 U.S.C. § 1118, GPI is entitled to an order requiring
2 destruction of all infringing products, packaging, and marketing materials in
3 Boardriders' possession.

SECOND CAUSE OF ACTION

(False Designation of Origin)

6 27. GPI incorporates all allegations set forth hereinabove by this
7 reference.

8 28. GPI's use of the PIPELINE® trademark on apparel in interstate
9 commerce precedes Boardriders'. GPI therefore has superior rights of ownership to
10 the PIPELINE® trademark than Boardriders.

11 29. Boardriders has used the PIPELINE® mark in interstate commerce in
12 connection with the sale of its own goods and services without GPI's authorization.

13 30. On information and belief, Boardriders' use of the PIPELINE® mark
14 has caused or is likely to cause confusion or mistake or deceive the public as to
15 Boardriders' affiliation with GPI, or as to the origin, sponsorship, or approval of
16 GPI's and/or Boardriders' goods and commercial activities.

17 31. GPI is informed and believes and thereon alleges that, as a proximate
18 result of Boardriders' use of the PIPELINE® Mark, Boardriders has made
19 substantial sales and profits in amounts to be established according to proof.

20 32. GPI is informed and believes, and thereon alleges that, as a proximate
21 result of Boardriders' use of the PIPELINE® mark, GPI has been damaged and
22 deprived of substantial sales, profits, and royalties that GPI otherwise would have
23 earned, in amounts to be established according to proof.

24 33. GPI is informed and believes, and thereon alleges that, unless
25 restrained by the Court, Boardriders will continue to infringe GPI's trademark, thus
26 engendering a multiplicity of judicial proceedings, and pecuniary compensation will
27 not afford GPI adequate relief for the damage to its intellectual property rights,
28 reputation, and sales. Further, GPI is informed and believes, and thereon alleges

1 that, in the absence of injunctive relief, customers are likely to continue being
 2 mistaken or deceived as to the true source, origin, sponsorship, and affiliation of
 3 both GPI's and Boardriders' goods.

4 34. GPI is informed and believes, and thereon alleges that, Boardriders'
 5 acts were committed, and continue to be committed, with actual notice of GPI's
 6 exclusive rights and with an intent to cause confusion among consumers and harm
 7 to GPI's reputation and goodwill. Pursuant to 15 U.S.C. § 1117, GPI is therefore
 8 entitled to recover three times its actual damages or three times Boardriders' profits,
 9 whichever is greater, together with GPI's attorneys' fees.

10 35. Pursuant to 15 U.S.C. § 1118, GPI is entitled to an order requiring
 11 destruction of all infringing products, packaging, and marketing materials in
 12 Boardriders' possession.

THIRD CAUSE OF ACTION

(Statutory Unfair Competition – Business & Professions Code § 17200 et seq.)

15 36. GPI incorporates all allegations set forth hereinabove by this
 16 reference.

17 37. Boardriders' conduct as alleged herein constitutes unlawful and unfair,
 18 business practices prohibited by sections 17200 et seq. and 17500 et seq. of the
 19 California Business & Professions Code.

20 38. Boardriders' conduct is unlawful for the reasons set forth herein,
 21 including but not limited to Boardriders' violations of federal trademark law and
 22 false designation of origin.

23 39. Boardriders' conduct is unfair for the reasons set forth herein.
 24 Without limitation, Boardriders' actions in blatantly misappropriating GPI's
 25 intellectual property – and continuing to do so even after being advised by GPI of its
 26 wrongdoing via pre-litigation correspondence – violate the policy and spirit of the
 27 antitrust laws, and significantly threaten or harm competition.

28 40. GPI is informed and believes and thereon alleges that as a direct and

1 proximate result of Boardriders' wrongful conduct as described above, Boardriders
 2 has gained property and revenues properly belonging to GPI, which therefore seeks
 3 restitution of these amounts.

4 **FOURTH CAUSE OF ACTION**

5 **(Breach of Contract)**

6 41. GPI incorporates all allegations set forth hereinabove by this
 7 reference.

8 42. The Settlement Agreement constitutes a valid contract to which GPI
 9 and Boardriders are bound.

10 43. GPI has done all or substantially all of the significant things that the
 11 Settlement Agreement required it to do—*i.e.*, it granted the retroactive license
 12 described therein and refrained from pursuing claims related to prior uses of its
 13 protected intellectual properties.

14 44. Boardriders has failed to honor its commitments under the Settlement
 15 Agreement insofar as it has failed to cease and desist from using the PIPELINE®
 16 mark on products created after January 1, 2010.

17 45. GPI has been harmed as a proximate result of Boardriders' failure to
 18 adhere to its commitments under the Settlement Agreement in an amount to be
 19 proved at trial.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, GPI prays for judgment in its favor and against Boardriders
 22 as follows:

23 1. For injunctive relief:

24 a. Enjoining Boardriders, its agents, employees, representatives,
 25 partners, joint venturers and/or anyone acting on behalf of, or
 26 in concert with Boardriders, preliminarily and permanently,
 27 from directly or indirectly using Plaintiff's PIPELINE®

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1 mark, or any confusingly similar mark, in a manner that is
2 likely to cause confusion; and

3 b. Compelling Boardriders to destroy or deliver to GPI for
4 destruction any and all labels, signs, prints, packages,
5 wrappers, receptacles, and advertisements in the possession or
6 under the control of Boardriders bearing the PIPELINE®
7 mark or any similar mark.

8 2. For monetary relief:

9 a. Compensatory damages in an amount to be proven at trial, in
10 excess of \$1 million, including but not limited to damages
11 and/or a reasonable royalty compensating GPI for all
12 unauthorized uses of the PIPELINE® mark by Boardriders;
13 b. Statutory damages (under 15 U.S.C. § 1117(c)-(d)) according
14 to proof;
15 c. Restitution;
16 d. Treble damages;
17 e. Reimbursement of all costs, attorney's fees and expenses
18 incurred in bringing this action; and
19 f. Pre-judgment and post-judgment interest at the maximum rate
20 allowable by law.

21 3. For any such other and further relief, including but not limited to
22 equitable relief, as the Court shall deem just and proper.

23 DATED: September 28, 2022 ROSS LLP

25 By: _____ /s/ Peter W. Ross

26 Peter W. Ross
27 Attorneys for Plaintiff GRAPHIC PRINTS, INC.

1 **DEMAND FOR JURY TRIAL**

2 Graphic Prints, Inc./ hereby demands a trial by jury with respect to all issues so
3 triable.

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5 DATED: September 28, 2022 ROSS LLP

6 Peter W. Ross
7 Eric C. Lauritsen

8 By: _____ /s/ Peter W. Ross

9 Peter W. Ross

10 Attorneys for Plaintiff GRAPHIC PRINTS, INC.

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